

AMENDED IN ASSEMBLY JUNE 10, 2004

SENATE BILL

No. 1458

Introduced by Senator Johnson

February 19, 2004

An act to amend ~~Section 85300~~ *Sections 90004 and 91011* of the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

SB 1458, as amended, Johnson. Political Reform Act of 1974.

Under the Political Reform Act of 1974, ~~public officers and candidates are prohibited from expending or accepting public moneys, as defined, for the purpose of seeking elective office~~ *the Franchise Tax Board is required to audit a specified percentage of certain lobbying firms, lobbyist employers, candidates, and committees regarding the campaign statements and reports filed by those persons and entities with the Secretary of State. The Fair Political Practices Commission selects by lot the persons and entities to be audited on a random basis.*

~~This bill would make technical, nonsubstantive changes to this provision.~~

This bill would require that the board complete its report of any audit conducted on a random basis within one year after the person or entity subject to the audit is selected by the commission to be audited.

Under the act, a civil action alleging a violation by a candidate for the Legislature or superior court judge in a direct primary or general election of the reporting requirements for campaign statements and reports filed with the Secretary of State shall not be filed more than 4 years after the board could begin an audit of the candidate.

This bill would prohibit the filing of a civil action of this kind more than 4 years after the board could begin an audit of the candidate, or

more than one year after the board forwards its report to the commission of a completed audit of any person or entity alleged to have violated the requirements for campaign statements and reports, whichever period is less.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes with a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill, which would declare that it furthers the purposes of the act, would therefore require a $\frac{2}{3}$ vote.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 85300 of the Government Code, as~~
2 ~~added by Proposition 73 at the June 7, 1988, primary election, is~~
3 ~~amended to read:~~
4 ~~85300. A public officer may not expend and a candidate may~~
5 ~~not accept any public moneys for the purpose of seeking elective~~
6 ~~office.~~
7 ~~SEC. 2.—~~
8 *SECTION 1. Section 90004 of the Government Code is*
9 *amended to read:*
10 90004. (a) The Franchise Tax Board shall periodically
11 prepare reports which, except as otherwise provided in this
12 section, shall be sent to the ~~commission~~ *Commission*, the Secretary
13 of State and the Attorney General. If the reports relate to
14 candidates for or committees supporting or opposing candidates
15 for the office of Attorney General, the reports shall be sent to the
16 ~~commission~~ *Commission*, the Secretary of State, and the District
17 Attorneys of Los Angeles, Sacramento, and San Francisco
18 Counties. If the reports relate to local candidates and their
19 controlled committees, the reports shall be sent to the ~~commission~~
20 *Commission*, the local filing officer with whom the candidate or
21 committee is required to file the originals of campaign reports
22 pursuant to Section 84215, and the district attorney for the
23 candidate's county of domicile. ~~The~~
24 (b) *The Franchise Tax Board shall complete its report of any*
25 *audit conducted on a random basis pursuant to Section 90001*

1 *within one year after the person or entity subject to the audit is*
2 *selected by the Commission to be audited.*

3 (c) The reports of the Franchise Tax Board shall be public
4 documents and shall contain in detail the Franchise Tax Board's
5 findings with respect to the accuracy and completeness of each
6 report and statement reviewed and its findings with respect to any
7 report or statement that should have been but was not filed. The
8 Secretary of State and the local filing officer shall place the audit
9 reports in the appropriate campaign statement or lobbying files.

10 SEC. 2. *Section 91011 of the Government Code is amended to*
11 *read:*

12 91011. (a) No civil action alleging a violation in connection
13 with a report or statement required by Chapter 4 (commencing
14 with Section 84100) ~~of this title~~ shall be filed more than four years
15 after an audit could begin as set forth in subdivision (c) of Section
16 90002, *or more than one year after the Franchise Tax Board*
17 *forwards its report to the Commission, pursuant to Section 90004,*
18 *of any audit conducted of the alleged violator, whichever period is*
19 *less.*

20 (b) No civil action alleging a violation of any provisions of this
21 title, other than those described in subdivision (a), shall be filed
22 more than four years after the date the violation occurred.

23 SEC. 3. The Legislature finds and declares that the provisions
24 of this act further the purposes of the Political Reform Act of 1974
25 within the meaning of subdivision (a) of Section 81012 of the
26 Government Code.